

ASSEMBLY HIGHER EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1634

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 02, 2021

The Assembly Higher Education Committee reports favorably Assembly Bill No. 1634 with committee amendments.

As amended, this bill establishes a Grow NJ Kids Student Loan Voucher Program within the Higher Education Student Assistance Authority. Grow NJ Kids is New Jersey's quality rating improvement system designed to raise the quality of child care and early learning programs. Under the bill, the authority will issue vouchers to eligible borrowers in the amount of the principal monthly loan repayment amount for an eligible borrower who has a child enrolled in an approved program. The bill defines an "approved program" as a licensed child care center, a school- or center-based preschool program, a Head Start program, or a registered family child care provider which has achieved a Grow NJ Kids rating of at least three. The bill provides that the State will appropriate such amounts as may be necessary to offset the loan principal amounts provided through the vouchers authorized under the program.

In order to be eligible to participate in the program, an applicant must:

- be a resident of the State;
- provide evidence of his child's enrollment in an approved program;
- submit an application to participate in the program to the authority in a time and manner as determined by the authority;
- have an individual annual income of no greater than \$75,000 or a combined household income of no greater than \$150,000; and
- satisfy any additional criteria the authority may establish.

Under the bill, the authority will provide:

- each licensed child care center, school- or center-based preschool program, Head Start program, or registered family child care provider with information on the Grow NJ Kids Student Loan Voucher Program; and
- information on the Grow NJ Kids Student Loan Voucher Program to the general public through the authority's

website and through other relevant outreach to loan borrowers as determined by the authority.

The bill requires an approved program to publicize the Grow NJ Kids Student Loan Voucher Program within their facility, on their websites, and through any other relevant communications to individuals, as deemed appropriate by the approved program.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- Change the name of the program established under the bill to the Grow NJ Kids Student Loan Voucher Program;
- Change the definition of a “program participant” from meaning a NJCLASS Loan Program borrower who has a child enrolled in an approved program to a State or federal student aid loan program borrower who has a child in an approved program;
- Provide that, instead of reducing the principal monthly loan repayment amount for eligible borrowers, HESAA will issue a voucher to eligible borrowers in the amount of the principal monthly loan amount;
- Provide that, to be eligible to participate in the program, an applicant must have an individual annual income of no greater than \$75,000 or a combined household income of no greater than \$150,000;
- Require HESAA to provide: (1) each licensed child care center, school- or center-based preschool program, Head Start program, or registered family child care provider with information on the Grow NJ Kids Student Loan Voucher Program; and (2) information on the Grow NJ Kids Student Loan Voucher Program to the general public through the authority’s website and through other relevant outreach to loan borrowers as determined by the authority; and
- Require an approved program to publicize the Grow NJ Kids Student Loan Voucher Program within their facility, on their websites, and through any other relevant communications to individuals, as deemed appropriate by the approved program.